

United States Senate

WASHINGTON, DC 20510

January 8, 2007

The Honorable George W. Bush
President of the United States
The White House
1600 Pennsylvania Ave, NW
Washington, DC 20500

Dear Mr. President:

As you prepare the Administration's fiscal year 2008 budget proposal, we strongly urge you to refrain from proposing harmful cuts that would seriously injure our nation's rural communities, U.S. farmers and ranchers, children and low income families, renewable fuels and critical research, and the important gains that we have made in the area of conservation.

Instead, we urge you to propose a robust, new investment in renewable fuels that will add to the budget savings already realized or forecast under current farm policy and make room for the Administration to propose additional funding in order to meet new priorities and policy objectives, including many identified by the Administration, without making harmful cuts to existing priorities.

As you know, current farm policy to date is estimated to be anywhere from \$12 billion to \$17 billion under budget, and the current CBO forecast suggests continued savings in the future assuming retention of current policies. These substantially reduced costs come as welcome news to those of us committed to reducing budget deficits and mitigating the potential for future WTO litigation.

Yet, based on the experience we have had with the current Farm Bill's Energy Title and with the Energy Bill, we are confident that a robust new investment in renewable fuels would not only further our nation's energy independence, but it would also further increase budget savings under U.S. farm policy. Importantly, this lower cost farm policy could be accomplished in a very positive and forward-looking manner, rather than through harmful budget cuts that would hurt our economy, reduce our competitiveness in the world, and cost us good paying American jobs.

Because of the substantial budget savings under current farm policy, coupled with the added savings achievable through an aggressive renewable energy policy, we are confident that there would be room for additional funding to be proposed by the Administration in order to meet important new priorities and policy objectives – and to do so without proposing harmful cuts to existing needs in rural America.

This approach would permit us to work to provide the necessary resources to build upon and improve important conservation, rural development, trade, nutrition, risk management, research, and commodity policies, including important initiatives for specialty crops.

Today we are fortunate to be presented with common-sense and positive options that can help achieve so many important policy objectives, including the Administration's objective of creating a farm policy that is predictable, equitable, and beyond challenge from our global trading partners – and do so without harming an important U.S. industry and costing good-paying American jobs. We urge you to take the first step in exercising this option in your upcoming budget proposal.

Thank you for your consideration. We look forward to working with you toward a responsible budget and a strong Farm Bill and renewable energy policy.

Sincerely,

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